

**CITY OF CLAYTON MISSOURI
NON-UNIFORMED EMPLOYEES RETIREMENT FUND
MEETING MINUTES OF THE BOARD OF TRUSTEES HELD
November 10, 2014**

A meeting of the City of Clayton Board of Trustees of the Non-Uniformed Employees Retirement Fund was held on Monday, November 10, 2014 at 4:00 P.M. at the offices of Asset Consulting Group, 231 South Bemiston Avenue, 14th Floor, Clayton, MO 63105.

1. CALL TO ORDER

2. ROLL CALL

Roll call was taken and the following members were present:

Present Richard Hummell, Chairman
 Alex Berger III, Alderman
 Joanne Boulton, Alderman
 Kathy Brooks-Maness, Member Representative
 Mike DeBarry, Member Representative
 Steve Singer, Citizen Representative

Also present: Janet Watson, Director of Finance & Administration
 Rita Smith, Recording Secretary
 Haley Rives, Asset Consulting Group
 Kevin Moore, Asset Consulting Group
 Steve Siepman, Buck Consultants

Not present: Bill Grayson, Citizen Representative

3. INTRODUCTION OF NEW BOARD MEMBER – Mike DeBarry

Chairman Hummell asked Mike DeBarry to introduce himself as a new member representative on the Board. Mike was nominated and approved through an election of all participants, including employees and retirees. Mike has worked for the City of Clayton for 29 years and is in the Public Works Department.

4. APPROVAL OF MINUTES – August 11, 2014

Chairman Hummell asked if there was a motion to approve the minutes from August 11, 2014. Joanne Boulton made a motion and Alex Berger seconded the motion. Chairman Hummell also asked if there were any changes or questions regarding the minutes from the August 11, 2014 meeting. There were no changes and the motion carried by voice vote.

5. ACTUARIAL REPORT - Steve Siepman, Buck Consultants

Steve Siepman, the plan's new actuary, was introduced to the Board. Mr. Siepman shared that in performing this year's valuation he used the same assumptions as the previous actuary, although there was a modest change in the mortality table due to new and changing standards. There was further discussion regarding future mortality table changes and their effect on plan liabilities.

Mr. Siepman reported the findings of the annual actuarial valuation, including a recommended contribution of \$531,691 and a funding status of 85%. There was substantial discussion

regarding the increase in recommended contribution over the prior year. Mr. Siepman explained that the increase over last year's contribution was due to the transfer of DROP participants from the normal cost category to retired liabilities during last year's valuation. This was one way to have presented this information but it did cause last year's contribution to show artificially low. The current required contribution is in line with the contribution from two years ago, and the contribution as a percentage of compensation is still very similar between last year and this year.

Chairman Hummell asked if there was a motion to accept the report and Joanne Boulton made a motion and Alex Berger seconded the motion. The motion carried by voice vote.

6. FINANCIAL ADVISOR REPORT - Haley Rives, Asset Consulting Group

Haley Rives presented the Investment Performance Review for the period ending September 30, 2014. She also distributed updated market values through October 2014. The total portfolio value at the end of the quarter was \$13.9 million. Ms. Rives provided detailed information on the investment return of the quarter and answered Board questions.

Ms. Rives mentioned that there would be a rebalancing this quarter to keep within the target allocation. There was discussion regarding whether the Board was required to approve rebalancings, when needed. Ms. Rives stated that most Board's authorize staff to make the rebalancing to stay within the target allocations during the quarter. A request was made to note in the minutes when a rebalancing has occurred.

7. OLD BUSINESS

DECEMBER EDUCATION SESSION: Janet Watson reminded the Board that there is a group planned educational session with other Boards to be held on December 12, 2014 from 11:00 – 1:00, with lunch provided at Asset Consulting Group's office at 231 S Bemiston Ave.

TRUSTEE EDUCATION PLAN: Ms. Watson informed the Board that the education requirements for trustees has increased to six hours per year. After Board discussion regarding the preferred method of training, it was determined that the training will be varied between group training, MAPERS conference attendance and self-study, if available. Chairman Hummell requested the Board keep an official log of training attended.

DELEGATING BOARD ADMINISTRATIVE DUTIES: Janet Watson presented a new perspective on the ongoing subject of delegating administrative responsibilities of the Plan. She presented a previously distributed resolution for consideration by the Board of Trustees, rather than the approach to permanently change the Plan document. The proposed resolution does not include delegating the authority to hire consultants such as actuaries and attorneys. A motion was made to approve the resolution by Joanne Boulton and seconded by Steve Singer. It was noted in the last paragraph of the resolution that the term "Trustee" should be plural. The motion was approved by voice vote.

8. ADJOURNMENT

There being no further business, the Board adjourned the meeting at 5:33 p.m.

Respectfully Submitted,

Rita Smith, Recording Secretary

Richard Hummell II, Chairman